

FIRST DIVISION

[G.R. No. 188638, December 09, 2015]

**PHILIPPINE TRANSMARINE CARRIERS, INC. AND NORTHERN
MARINE MANAGEMENT, PETITIONERS, VS. JOSELITO A.
CRISTINO, DECEASED AND REPRESENTED BY HIS WIFE SUSAN
B. BERDOS, RESPONDENT.**

DECISION

PEREZ, J.:

The Court is confronted once more with a dispute concerning a seafarer's entitlement to compensation and benefits for illness. The regulation is in the Philippine Overseas Employment Administration (POEA) Standard Employment Contract for Seafarers (Contract).^[1]

Assailed in this Petition for Review on *Certiorari*^[2] are the Court of Appeals Decision^[3] dated February 27, 2009 and its July 10, 2009 Resolution^[4] in CA-G.R. SP No. 106430, which affirmed *in toto* the July 28, 2008 Decision^[5] and the September 30, 2008 Resolution^[6] of the National Labor Relations Commission (NLRC). The NLRC granted the respondent's claim for compensation and benefits for illness, effectively overturning the prior Decision^[7] dated November 13, 2007 of the Labor Arbiter.

The Antecedents

Joselito Cristino (Cristino) was a seaman and employed as a Fitter by Philippine Transmarine Carriers, Inc. (PTCI), a manning agency, since 1992.^[8] On May 30, 2006, Cristino signed another Contract of Employment with PTCI for its principal Northern Marine Management Ltd. (collectively, petitioners) for the vessel M/V Stena Paris.^[9] Pursuant to the nine-month contract, Cristino was required to work for at least 44 hours a week and in return, he was compensated with a monthly US\$670.00 basic salary and US\$373.00 overtime pay.^[10] On top of these, Cristino was entitled to nine days of vacation leave with pay per month and guaranteed overtime (GOT) pay of US\$4.38/hour after 85 hours.^[11] After he went through the required Pre-Employment Medical Examination (PEME), Cristino was declared "FIT FOR EMPLOYMENT"^[12] by PTCI's designated examining physician, and he boarded the vessel on July 6, 2006.^[13]

In October 2006, Cristino spotted a palpable mass growing in his leg. Assuming that it was just a simple inflammation or a benign cyst, Cristino did not have it examined. From then on, Cristino experienced bouts of severe physical discomfort from his leg^[14] until such time when he could no longer endure the agonizing pain, causing him to be admitted to a Denmark hospital on January 29, 2007.^[15] As the

attending surgery consultant suspected an abscess formation, an incision procedure, an abdominal CT scan and an ultrasonography were done on Cristino's femoral region.^[16] These detailed radiological examinations and procedure revealed that Cristino was suffering from "[p]oorly differentiated papillary tumour" and "[t]ransitio-cellular carcinoma, obs. pro."^[17] Due to the gravity of his illness, Cristino was repatriated to the Philippines on February 7, 2007.^[18]

Immediately after his arrival in Manila, Cristino was brought to the Physicians' Diagnostic Services Center Inc. (PDSCI),^[19] under the care of petitioners' affiliated physician, Dr. Pedro S. De Guzman (Dr. De Guzman).^[20] He initially reported that Cristino had "Carcinoma (probably [m]etastasis) [s]ubcutaneously in the right anterior, upper femoral region[.]" and ordered oral medications and wound dressing on his right inguinal region.^[21] For lack of necessary medical equipment and facility, Cristino had to be referred to Mary Johnston Hospital where he received his first chemotherapy treatment.^[22] Cristino was reimbursed by the petitioners for the cost of the single chemotherapy session that totaled P90,000.00 and which amount was considered part of his sickness allowance.^[23]

In a subsequent report signed by Dr. De Guzman and Dr. Raymund Jay Sugay (Dr. Sugay), another physician at PDSCI, they stated that Cristino had been diagnosed with "carcinoma of unknown origin"; that he had reacted positively to one chemotherapy session; and that his wound already showed signs of healing.^[24] In the same report, they declared that Cristino's carcinoma is "not considered work-related" and that a more comprehensive evaluation of Cristino's condition was possible after two more chemotherapy sessions.^[25] It was during this time when Cristino was informed by the petitioners that additional treatment would be at his own expense.^[26]

Cristino was then compelled to continue his medical treatment with Dr. Jorge G. Ignacio (Dr. Ignacio),^[27] a medical oncologist connected with the Philippine General Hospital. As narrated in the June 22, 2007 medical certificate issued by Dr. Ignacio, Cristino had undergone an "excision of primary lesion at the [heel] of the right foot and dissection of right inguinal lymph nodes."^[28] The same medical specialist concluded that Cristino's illness was malignant melanoma (a type of skin cancer), of which sun exposure is a recognized risk factor, and that the nature of Cristino's work possibly increased the development of his illness.^[29]

Pushed by high costs of treatment and supported by Dr. Ignacio's medical pronouncement, Cristino demanded for the payment of his disability benefits and illness allowance, and for the reimbursement of his medical expenses, as provided under the POEA Contract. Petitioners' refusal to give in to Cristino's demands forced him to file a complaint for disability benefits, illness allowance, damages, and attorney's fees before the Labor Arbiter.

In his Position Paper, Cristino laid down all his specific functions as fitter so as to fully establish the causal connection between his work and his illness, to quote:

1. Proficiency in the repair, installation and maintenance of machinery, piping and other steelwork;

2. To be capable of working without the direct supervision of an officer;
3. Operating machine shop equipment and to disassemble, overhaul and reinstall bearings, to repack glands and valves;
4. Effecting piping repairs on deck, for domestic services and in cargo tanks;
5. Maintaining the engine workshop and will keep a written inventory of stores and tools, advising the Second Engineer of any shortage. He will maintain all power tools and record the use of stores;
6. Sounding tanks, void spaces and cofferdams;
7. He is to be qualified to form part of an engine room watch if so assigned within the vessel's safe manning certificate[.]^[30]

Cristino also cited his additional functions which included the following:

- A. Strict observance of all safety regulations;
- B. Reporting any feature which appears adverse to the safety of operations;
- C. Knowledge, of the location and use of all fire fighting and life saving equipment;
- D. Attending boat and fire drills and other safety training as required by the Master;
- E. Maintaining a high standard of hygiene in person and throughout the accommodation and machinery spaces[.]

In case of a Deck Fitter, he is to work under the direction of the Chief Officer.^[31]

Cristino contended that a "Job Order" was given to him daily, assigning him to do various tasks ranging from "cleaning and repairing of pipes, ladders, antenna, hose, etc." and "painting of the deck."^[32] These assignments necessitated Cristino to work under the scorching heat of the sun mixed with the warm sea breeze which he claimed added to his physical deterioration.^[33] Cristino pointed out that for the past 15 years that he had been working for the petitioners, he passed all the comprehensive medical, physical, psychological, and dental examinations required of him, and that it was during his employment with them that signs and symptoms of his illness became apparent.^[34]

In the same Position Paper, Cristino claimed that he was already declared as "no longer fit for further sea duties" and as such, he must be paid with the maximum compensation provided for in the Schedule of Disability Allowances found in Section 32 of the POEA Contract.^[35]

In their defense, the petitioners extensively argued on the non-compensability of Cristino's illness after taking into account the POEA Contract. They reasoned out that Cristino failed to satisfy the three requisites that would justify the award of compensation and benefits, namely: the illness must be work-related; the illness must be incurred while the employment contract is still in force; and the disability is evaluated by the petitioners' designated physician.^[36] As further asserted by the petitioners, nothing in Cristino's job description necessitated his working directly under the sun while on board the vessel.^[37] According to them, cancer is excluded from the list of occupational diseases enumerated in Section 32-A of the POEA Contract^[38] and that the burden rested on Cristino to prove that his cancer was acquired during, and as a result of, his employment.^[39] In support of their stance, the petitioners insisted that their physicians were in the best position to gauge if Cristino's illness was really work-related or not.^[40]

In a decision^[41] dated November 13, 2007, the Labor Arbiter dismissed the complaint, relying heavily on the medical opinion of the petitioners' physicians, Dr. De Guzman and Dr. Sugay, that Cristino's illness was not work-related. In contrast, the Labor Arbiter discounted the medical diagnosis of Dr. Ignacio, labeling it as merely "speculative" for it did not fully establish Cristino's exposure to the ultraviolet rays of the sun nor such exposure was the cause of his illness.^[42]

Dissatisfied with the Labor Arbiter's decision, Cristino appealed his case to the NLRC. Unfortunately, Cristino died of cardio-respiratory arrest as a consequence of malignant melanoma^[43] during the pendency of his appeal. His widow, Susan B. Berdos (respondent), filed the corresponding Motion for Substitution.^[44]

In its July 28, 2008 decision,^[45] the NLRC overturned the earlier judgment, and directed the petitioners to pay Cristino's heirs permanent disability benefits amounting to US\$60,000.00, illness allowance amounting to P30,600.00, and attorney's fees equivalent to not more than 10% of the monetary award. The NLRC categorically stated that Cristino's illness was work-related, as adequately substantiated by the medical findings of Dr. Ignacio, an expert in the field of oncology. Citing several decisions of this Court, the NLRC concluded that employment need not be the only consideration in the contraction of illness but it being a mere contributory factor in its progress, regardless of degree, is sufficient in sustaining its compensability. As Cristino was deterred by his illness from engaging in his customary work for more than 120 days, the NLRC classified his disability as permanent.^[46] The Motion for Reconsideration subsequently filed by the petitioners was denied by the NLRC in its resolution of September 30, 2008.^[47]

The reversal of the earlier judgment prompted the petitioners to elevate their case to the Court of Appeals. All the same, the Court of Appeals affirmed both the decision and the resolution of the NLRC.^[48] The Court of Appeals reasoned out that seafarers enjoy a presumption of compensability for illnesses excluded from the enumeration found in Section 32-A of the POEA Contract, and that the petitioners failed to overcome this presumption. The Court of Appeals was convinced that Cristino's illness was work-related based on his assigned tasks.^[49] Thus, the Court of Appeals upheld his entitlement to permanent disability benefits and sickness

allowance computed on a 120-day maximum period, pursuant to Section 20-B(3) of the POEA Contract.^[50] During the pendency of their Motion for Reconsideration before the Court of Appeals, the petitioners fully settled the judgment award as the Labor Arbiter was about to issue the corresponding writ of execution.^[51] Thereafter, the Motion for Reconsideration was denied in the Court of Appeals' resolution^[52] dated July 10, 2009.

The Issues

Hence, the present petition for review anchored on the following arguments:

1. The Honorable Court of Appeals committed reversible error in ruling that [p]etitioners failed to prove through substantial evidence that [r]espondent's skin cancer was not work-related.
2. The Honorable Court of Appeals committed reversible error in ruling that a seafarer unable to work for more than 120 days is deemed permanently and totally disabled and entitled to maximum disability benefits under the POEA Contract.
3. The Honorable Court of Appeals committed reversible error in affirming the award of sickness allowance to [r]espondent.
4. The Honorable Court of Appeals committed reversible error in affirming the award of attorney's fees.
5. The Honorable Court of Appeals committed reversible error in not commanding [r]espondent's wife Susan Berdos to return the sum paid to her by [p]etitioners.^[53]

In a nutshell, the core issue to be resolved is whether the Court of Appeals is correct in finding Cristino's illness as work-related and, therefore, compensable, pursuant to the POEA Contract.

The Court's Ruling

As a general rule, only questions of law raised via a petition for review under Rule 45 of the Rules of Court^[54] are reviewable by this Court.^[55] Factual findings of administrative or quasi-judicial bodies, including labor tribunals, are accorded much respect by this Court as they are specialized to rule on matters falling within their jurisdiction especially when these are supported by substantial evidence.^[56] However, a relaxation of this rule is made permissible by this Court whenever any of the following circumstances is present:

1. [W]hen the findings are grounded entirely on speculations, surmises or conjectures;
2. when the inference made is manifestly mistaken, absurd or impossible;